

The Director of Central Intelligence

Washington, D.C. 20505

Intelligence Community Staff

DCI/IC 82-3569
1 June 1982

MEMORANDUM FOR: See Distribution

SUBJECT: GAO'S Audit of Unvouchedered Funds

1. On 12 June 1980 and 5 November 1981, the Comptroller General of the United States sent letters (attached) to the Heads of Departments and Agencies regarding GAO's audit of unvouchedered funds under the GAO Act of 1980. In each of the letters GAO emphasized that the statute also provides authority for the President to exempt any expenditures involving sensitive foreign intelligence, foreign counterintelligence, or sensitive law enforcement investigations from GAO oversight.

2. It seems that not all components within the Intelligence Community who have unvouchedered funds have taken the necessary steps to exempt these funds from GAO review. On 7 May 1982, Lieutenant General Williams sent a letter (attached) to the DCI requesting his aid in coordinating an Intelligence Community effort to assemble a proper list of intelligence activities that should be exempt from GAO audit and which are reportable to the appropriate Select Committees. The DCI agreed that a Community-wide approach is necessary and has designated the IC Staff as the focal point on this matter. So we can determine the scope of this problem, please provide me with a paper by c.o.b. 9 June, which discusses the amount and nature of the unvouchedered funds, and or intelligence records in your program which you believe should be exempt from GAO audit and the reasons for such an exemption. If there are any further questions on this matter please contact [REDACTED] of my staff who can be reached on [REDACTED]

William F. Lackman, Jr.

Attachments: a/s

All portions of this memo
are unclassified

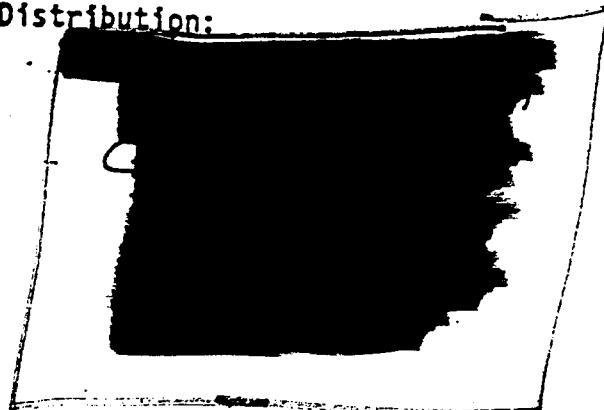
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